



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
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TO: Creditors and other parties to the Liquidation of Universal Care of Tennessee

The Special Deputy Liquidator of Universal Care of Tennessee (UCOT), Paul Eggers is asking UCOT's health providers and other creditors to remain patient as the liquidation of the company moves forward.

Eggers advises that, as of July 16, 2003, there is no contract between Universal, TennCare and the Centers for Medicare & Medicaid Services ("CMS") to facilitate the processing of claims for the former TennCare MCO. Therefore, as of that date, Universal ceased processing of claims.

The Special Deputy is in negotiations with TennCare and CMS regarding a contract to facilitate the processing and payment of claims with dates of service after April 11, 2002. Universal claims with dates of service prior to April 12, 2002 will be handled in the liquidation proceedings and will be paid from the net assets of the estate.

The Special Deputy believes Universal will not be in a position to process claims until September 1, 2003, at the earliest. The provider and creditor community will be notified of the resumption of claims processing as soon as possible.

Universal is in the process of moving from its current location and does not have telephone service at this time. Should a provider need to contact Universal, inquiries may be submitted via e-mail to:

questions@uctliquidation.com

Also, he intends to post liquidation information at the following website:

<http://www.state.tn.us/commerce/tenncare/liquidations/universal/index.html>

Universal was placed in liquidation July 2, 2003. Since June 1, 2003, all services provided to TennCare enrollees formerly covered by Universal have been covered by TennCare Select. Questions regarding claims for service beginning June 1, 2003 should be directed to TennCare Select at 1-800-276-1978.

The Special Deputy is compiling a list of providers and general creditors to send a Notice advising of the status of the liquidation and setting out the process for submitting claims to the liquidation. It is planned that this Notice will be sent out within the next 4-6 weeks.